

Amalgamated Transit Union Local 1596 Pension Fund

DROP Earnings Method Election

PLEASE PRINT OR TYPE:

1) Name: _____, _____, _____
(Last) (First) (Middle)

Social Security Number: _____

Select from below an election of an earnings method for your DROP Account:

1. **Variable rate of return based on the Pension Plan's investment returns**
Initial here if you choose _____

The Pension Plan is invested in a very diversified portfolio of domestic and international stocks and bonds. The investment portfolio is subject to fluctuations in the market including losses. Below is a representation of the investment earnings (and losses) of the Plan over the past six fiscal years:

<u>Year</u>	<u>Investment Gain/Loss</u>	<u>Year</u>	<u>Investment Gain/Loss</u>
2012	+17.5%	2009	+1.1%
2011	+0.3%	2008	-14.2%
2010	+10.0%	2007	+ 9.7%

It is important to realize that your DROP account may lose value under this method. Your DROP payout could be less than the amount deposited.

2. **Rate of return paid by Money Market Fund** : Initial here if you choose: _____

The Plan offers a low-risk alternative to the above option, the Dreyfus Treasury Prime Cash Management Fund. This investment vehicle only invests in short-term securities issued or guaranteed as to principal and interest by the U.S. government, which are the safest and the most liquid securities available. In exchange for the level of credit safety offered by U.S. government securities, the fund's yield is lower than other money market funds. Below is a representation of the investment earnings of this fund over the past ten years (as of August 23, 2010):

Past Year	0.00%
Past Three Years	0.00%
Past Five Years	0.11%
Past Ten Years	1.47%

This is the most conservative earnings method. It has the least risk of investment losses.

